BACKGROUNDER NO. 1-0834 MAY 24, 1976
JOSEPH SULLIVAN

U.S.-SOUTH KOREAN TALKS

ANNCR:

SECRETARY OF COMMERCE ELLIOT RICHARDSON IS CONCLUDING A FOUR-DAY VISIT TO SOUTH KOREA (LEAVES MAY 25), WHERE HE HEADED THE U.S. DELEGATION TO THE SEVENTH COMMERCE MINISTER'S CONFERENCE. AND LATER THIS WEEK (MAY 26), SECRETARY OF DEFENSE DONALD RUMSFELD BEGINS TALKS IN HAWAII WITH SOUTH KOREAN MILITARY OFFICIALS. VOA'S JOSEPH SULLIVAN HAS THE DETAILS IN THIS BACKGROUND REPORT.

VOICE:

THE TALKS IN SEOUL AND HAWAII EXEMPLIFY THE CLOSE TIES BETWEEN THE UNITED STATES AND SOUTH KOREA IN THE TWO CRITICAL FIELDS OF COMMERCE AND SECURITY. MUCH CAN BE SAID OF SOUTH KOREA'S IMPRESSIVE ECONOMIC GROWTH, WHICH HAS BEEN AIDED BY A GROWING VOLUME OF TRADE BETWEEN THE UNITED STATES AND THAT ASIAN COUNTRY.

ECONOMICALLY, SOUTH KOREA IS RAPIDLY MOVING OUT OF THE CLASS OF A LESSER DEVELOPED COUNTRY, AND, IN MANY WAYS IS DEVELOPING INTO AN ECONOMIC POWER MUCH THE SAME WAY THAT JAPAN DID AFTER THE SECOND WORLD WAR. ITS ECONOMIC PERFORMANCE SINCE THE EARLY 1960S HAS EXCEEDED EVEN THE MOST OPTIMISTIC EXPECTATIONS. SOUTH KOREA'S GROSS NATIONAL PRODUCT HAS INCREASED OVER THE PAST EIGHT YEARS AT AN AVERAGE ANNUAL RATE OF NINE PERCENT -- AN IMPRESSIVE RECORD BY ANY STANDARDS. EXPORT EARNINGS EXCEEDED FIVE THOUSAND MILLION DOLLARS LAST YEAR DESPITE THE SHARP DECLINE IN INTERNATIONAL TRADE. AND ALTHOUGH PER CAPITA INCOME WAS STILL A RELATIVELY LOW FIVE HUNDRED THIRTY DOLLARS IN 1975, SOUTH KOREA'S

ECONOMY IS NOW MORE THAN THREE TIMES THE SIZE OF THAT OF NORTH KOREA.

SECRETARY RICHARDSON, IN HIS OPENING ADDRESS AT THE SEOUL CONFERENCE, TOOK NOTE OF THE SIGNIFICANT GROWTH IN TWO-WAY TRADE BETWEEN THE UNITED STATES AND SOUTH KOREA. BETWEEN 1967 AND 1974, HE OBSERVED, U.S. PURCHASES FROM SOUTH KOREA INCREASED MORE THAN TWELVEFOLD, WHILE THE SALE OF AMERICAN PRODUCTS TO SOUTH KOREA REGISTERED A NEARLY FOURFOLD INCREASE. SOUTH KOREA REPRESENTS THE UNITED STATES' SECOND LARGEST MARKET IN ASIA, AND THE THIRD-RANKING MARKET AMONG THE NON-OIL EXPORTING DEVELOPING COUNTRIES.

IN HAWAII, DEFENSE SECRETARY RUMSFELD WILL CONFER WITH KOREAN MINISTER OF NATIONAL DEFENSE SUH JYONG CHUL ON DEFENSE AND SECURITY ISSUES. NOWHERE IN ASIA DO THE INTEREST OF THE GREAT POWERS CONVERGE MORE THAN IN THE KOREAN PENINSULA. THE UNITED STATES HAS SOME FORTY THOUSAND TROOPS STATIONED IN THE SOUTH AS WELL AS A DEFENSE TREATY WITH SOUTH KOREA, WHILE BOTH THE SOVIET UNION AND CHINA HAVE FORMAL SECURITY COMMITMENTS WITH NORTH KOREA. THE JAPANESE, IN TURN, SEE KOREA AS A BUFFER BETWEEN JAPAN AND THE TWO BIG CONTINENTAL POWERS IN ASIA -- CHINA AND THE SOVIET UNION. TOKYO IN RECENT MONTHS HAS ALSO MADE CLEAR ITS CONCERN OVER THE SITUATION IN KOREA AND THE HIGH PLACE WHICH THE KOREAN PENINSULA HOLDS IN JAPANESE SECURITY CONSIDERATIONS.

SINCE THE COMMUNIST TAKEOVER IN SOUTH VIETNAM, AMERICAN OFFICIALS HAVE SOUTH TO PUBLICLY ASSURE THE SEOUL GOVERNMENT THAT THE UNITED STATES IS NOT ABANDONING ASIA NOR ITS COMMITMENT TO THE INDEPENDENCE AND SECURITY OF SOUTH

KOREA. FORMER DEFENSE SECRETARY JAMES SCHELSINGER, DURING A VISIT TO SOUTH KOREA LAST YEAR, TOLD A NATIONWIDE TELEVISION AUDIENCE THAT NORTH KOREA MUST RECOGNIZE THAT THE UNITED STATES COMMITMENT TO THE PUBLIC OF KOREA REMAINS STRONG.

CERTAINLY THE PRESENCE OF AMERICAN COMBAT FORCES IN SOUTH KOREA DEMONSTRATES WASHINGTON'S CONTINUED DEEP INTEREST NOT ONLY IN THAT NATION'S SECURITY BUT ALSO IN CONTINUED PEACE IN ASIA. BUT U.S. OFFICIALS HAVE ALSO MADE IT CLEAR THAT WHILE THE UNITED STATES WILL CONTINUE TO HELP SOUTH KOREA STRENGTHEN ITS ECONOMY AND DEFENSE, IT SHALL AT THE SAME TIME SEEK HONORABLE WAYS TO REDUCE TENSIONS AND CONFRONTATION IN THE KOREAN PENINSULA.

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